



Department of Justice

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JUSTICE DEPARTMENT REQUIRES CAPSTAR TO SELL FIVE RADIO STATIONS AS PART OF TRIATHLON BROADCASTING ACQUISITION

WASHINGTON, D.C. -- The Department of Justice announced today that it reached a settlement with Capstar Broadcasting Partners Inc. that will allow the company to go forward with its acquisition of Triathlon Broadcasting Company as long as Capstar sells five radio stations in Wichita, Kansas. In order for the acquisition to occur, the Federal Communications Commission (FCC) must approve the transfer of Triathlon's broadcasting licenses to Capstar.

Without the divestiture, Capstar could have controlled more than 45 percent of radio revenues in the Wichita market. Capstar currently owns KKRD-FM, KRZZ-FM, and KNSS-AM in Wichita, while Triathlon currently owns six Wichita stations-- KZSN-FM, KRBB-FM, KEYN-FM, KWSJ-FM, KFH-AM, and KQAM-AM.

"Capstar was aware that its acquisitions in Wichita raised competitive concerns and agreed to fix the problem," said Joel I. Klein, Assistant Attorney General in charge of the Department's Antitrust Division. "The agreed-upon divestitures will ensure that Wichita businesses that rely on radio to sell their products and services will continue to receive competitively priced advertising rates."

Under the agreement, Capstar will sell five Wichita stations -- KEYN-FM, KWSJ-FM, KNSS-AM, KFH-AM, and KQAM-AM -- to Connoisseur Communications Partners, a

Westport, Connecticut based radio operator. According to industry estimates, the divestitures will reduce Capstar's revenue share in Wichita to less than 40 percent.

The Department also withdrew its Comment and Petition For Hearing filed at (FCC) in connection with this merger. The FCC had earlier sought comments on the acquisition, and the Department responded by explaining its concerns and noting that it was investigating.

According to industry estimates, Capstar owns approximately 300 stations in 75 markets. Triathlon owns 31 radio stations in six markets. Connoisseur owns 33 stations throughout the United States.

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